

This record is a partial extract of the original cable. The full text of the original cable is not available.

ACTION EB-00

INFO	LOG-00	NP-00	AF-00	AID-00	CEA-01	CIAE-00	CTME-00
	INL-00	USNW-00	DODE-00	ITCE-00	DOFE-00	EAP-00	EXME-00
	EUR-00	E-00	FAAE-00	UTED-00	VC-00	FRB-00	TEDE-00
	INR-00	IO-00	LAB-01	VCE-00	AC-00	NSAE-00	NSCE-00
	OES-00	OIC-00	OMB-00	NIMA-00	MCC-00	PER-00	GIWI-00
	ACE-00	SP-00	SSO-00	SS-00	STR-00	TRSE-00	FMP-00
	BBG-00	IIP-00	SCRS-00	DRL-00	G-00	NFAT-00	SAS-00

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FM AMEMBASSY NDJAMENA
TO SECSTATE WASHDC 1439
INFO AMEMBASSY ABUJA
AMEMBASSY BAMAKO
AMEMBASSY COTONOU
AMEMBASSY LIBREVILLE
AMEMBASSY LONDON
AMEMBASSY NIAMEY
AMEMBASSY OUAGADOUGOU
AMEMBASSY PARIS
AMEMBASSY TOKYO
AMEMBASSY YAOUNDE
USDA FAS WASHDC 0025
USDOC WASHDC
USEU BRUSSELS BE
USMISSION GENEVA

UNCLAS NDJAMENA 000653

SIPDIS

LONDON AND PARIS FOR AFRICAWATCHER, USTR FOR WILLIAM JACKSON

E.O. 12958: N/A

TAGS: [EAGR](#) [ECIN](#) [ECON](#) [ETRD](#) [CD](#) [WTO](#)

SUBJECT: MINISTER OF COMMERCE DISCUSSES COTTON ISSUES

1. Summary: During a meeting with the Ambassador April 6, the Minister of Commerce discussed plans for an early-May meeting in N'djamena among Cotton-4 trade ministers to prepare a unified strategy for the upcoming WTO Ministerial in Hong Kong. The Minister reiterated the GOC's appeal for eliminating U.S. cotton subsidies. The Ambassador urged Chad to support U.S. efforts to address the cotton issue in the context of WTO negotiations on agricultural trade liberalization. End Summary.

2. Minister of Commerce Roulouany Yoma Golom raised Chad's concerns as a sizable regional cotton producer in his meeting with the Ambassador April 6. He said Chad would host a meeting of trade ministers of Africa's Cotton-4 countries in N'djamena in early May. The Minister explained that the meeting was intended to discuss strategies to generate support for the elimination of cotton subsidies. According to the Minister, Cotton-4 countries decided after Cancun that an organized position will be much more effective in convincing the international community of their objectives.

3. The Minister asked the Ambassador why the United States position had not changed on cotton after the presidential elections. He argued that since the elections last November, there was no reason to maintain cotton subsidies, which he felt was a politically-motivated policy. The Ambassador noted that cotton subsidies are indeed an expense for the United States. He stressed that the issue must be dealt with as part of an international agreement that opens markets for all agricultural and livestock products. The Ambassador said it is difficult for the United States to reduce subsidies on cotton when Europe and Japan restrict trade for many products. He called for Africa's support in engaging with Europe and Japan on this issue. The Ambassador also observed that progress on reducing cotton subsidies will not solve Chad's cotton problems. It also needs to lower production costs, attract technology, upgrade transport links, and deal with the financial woes of Cotontchad, the soon-to-be privatized marketing parastatal, he stressed.

4. COMMENT: In its plans for the meeting of African cotton producers next month, Chad is showing initiative it has not demonstrated in the past on this issue. Ibrahim Malloum, Chad's energetic new director-general of Cotontchad, is no doubt behind its new enthusiasm. Post welcomes any further guidance on the cotton issue. END COMMENT.

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